

2008-01422/

## News Releases

Government of Newfoundland and Labrador - Canada

[Government Home](#)[Search](#)[Sitemap](#)[Contact Us](#)

April 3, 1998  
(Justice)

---

*The following is being distributed at the request of the Consumer Advocate, Dennis Browne, Q.C.:*

"Newspaper advertisements placed in local papers by Newfoundland Power suggesting that electricity rates in Newfoundland are reasonable are misleading," says Consumer Advocate Dennis Browne.

Browne stated: "It was not too long ago that a Canadian bond rating agency referred to electricity rates in this province as one of the highest rates in the country."

Furthermore, Browne stated: "The Public Utilities Board hired two independent analysts to study this very issue. According to Professors Waters and Winters of the University of Toronto, Newfoundland Power's rate of return should be below nine per cent for 1998. Newfoundland Power currently earns rate of return in the range of 11 per cent. This would mean a saving of anywhere from eight to 10 million dollars for consumers, which would translate into a saving of approximately 2.5 per cent on consumers' electricity bills."

Browne said: "This advertising campaign, which has no doubt been prepared by an advertising agency, is but another indication that Newfoundland Power is earning too much money."

For further information, contact: Dennis M. Browne, Q.C., Telephone: (709) 754-1800, Facsimile: (709) 654-2701.

1998 04 03

12:20 p.m.

[Home](#)[Back to Government](#)[Contact Us](#)

All material copyright the Government of Newfoundland and Labrador. No unauthorized copying or redeployment permitted. The Government assumes no responsibility for the accuracy of any material deployed on an unauthorized server.  
[Disclaimer/Copyright/Privacy Statement](#)